



Chairman: David Vaught

Members: Ed Bedore, Ricardo Morales, Larry Ivory, Bill Black

June 10, 2013

Bill Grunloh
Chief Procurement Officer
Illinois Department of Transportation
Executive Ethics Commission
2300 S. Dirksen Pkwy, Room 200
Springfield, Illinois 62764

Re: 50-35 Potential Conflict of Interest, Contract 72F69 from the April 26, 2013 Letting

Dear Mr. Grunloh,

In accordance with the requirements of Section 50-35 of the Illinois Procurement Code, I have reviewed your request received June 7, 2013 and understand the facts to be as follows:

- 1) Illinois Department of Transportation has issued a request for a review and comment on potential conflicts of interest disclosed by Kinney Contractors, Inc.
- 2) The contract pertains to construction related services in Cass County.
- 3) Kinney Contractors, Inc. was selected using Competitive Sealed Bidding.
- 4) The disclosure form submitted on behalf of Kinney Contractors, Inc. indicates the following:
 - a. William L Kinney, an individual with an ownership or distributable income share greater than the requisite thresholds, has disclosed he is a member of the Litchfield Airport Authority Board. Mr. Kinney does not receive an income in excess of 60% of the Governor's salary in his capacity as Board Member. Mr. Kinney is additionally not in a capacity to influence the competitively sealed bidding process in any way.
- 5) The Illinois Department of Transportation confirmed that none of the disclosed individuals were in a position to influence the award of this contract. Illinois Department of Transportation and CPO Bill Grunloh indicate that it would be in the best interest of the State to approve this conflict of interest due to the using agency's needs and the value of the contract.

Based on the foregoing, you are requesting my review and comment pursuant to the Illinois Procurement Code.

Review and Comment

After careful review of the documentation provided, I do not view the relationships disclosed above as creating a conflict of interest sufficient to preclude Illinois Department of Transportation from entering into a contract with Kinney Contractors, Inc. for the services outlined in your letter received June 7, 2013.

Sincerely,

A handwritten signature in black ink, appearing to read "Aaron Carter".

Aaron Carter
Executive Director

Cc: EEC General Counsel

An official stamp from the Illinois Department of Transportation. It is a rectangular stamp with the words "ILLINOIS DEPARTMENT OF TRANSPORTATION" at the top, "EXECUTIVE ETHICS COMMISSION" in the middle, and "RECEIVED" at the bottom. There is also a date stamp "JUN 11 2013" and a time stamp "4:10 PM".



CHIEF PROCUREMENT OFFICE

Bill Grunloh, Department of Transportation - Highway Construction

June 7, 2013

Procurement Policy Board
222 South College Street, Suite 231
Springfield, IL 62704

RE: Conflict of Interest Disclosure Kinney Contractors, Inc. (Kinney), sub-contractor chosen by Illinois Valley Paving, A Division of United Contractors Midwest Inc. (IVP), lowest responsible and responsive bidder for Contract 72F69 from the April 26, 2013 letting

Mr. Carter:

Attached is a potential conflict of interest form for Kinney Contractors, Inc. (Kinney), sub-contractor chosen by IVP, lowest responsible and responsive bidder for Contract 72F69 from the Department's April 26, 2013 letting. Contract 72F69 consists of construction related services in Cass County, and includes: resurfacing 11.74 miles of Illinois Route 125 from east of Illinois Route 78 in Virginia to a point just west of Buchanan St./ Fulton Ln. in Ashland.

IVP was selected via competitively sealed bidding process. Kinney was chosen via Contractor-Sub Contractor contract. A description of the contracts and low bid amounts are enclosed with this letter and conflict of interest checklist. These contracts are in the Department's interests of maintaining safe roadway to ensure the safety of the motoring public.

William L. Kinney, an individual with an ownership or distributable income share greater than the requisite thresholds, has disclosed he is a member of the Litchfield Airport Authority Board. Mr. Kinney does not receive an income in excess of 60% of the Governor's salary in his capacity as Board Member. Mr. Kinney is additionally not in a capacity to influence the competitively sealed bidding process in any way.

This conflict has been reviewed by our office, and it has been determined that this is not an actual conflict and will not interfere in the execution of this contract.

If you have any questions concerning this request, please contact Michael Copp of the Bureau of Construction, Prequalification Unit, at 217-782-3413.

Sincerely,

Gretchen Tucka,
State Purchasing Officer

Enclosures

STATE OF ILLINOIS
PROCUREMENT POLICY BOARD
CONFLICT OF INTEREST REVIEW
CHECKLIST

Please ensure that the following documents are included with your request:

- ☒ Cover letter with overview of the potential Conflict of Interest
- ☒ Conflict of Interest Review Request Form
- ☒ Copy of Proposed Contract*
- ☒ Any Prequalification Information Submitted by the Vendor
- ☒ Prior Procurement Policy Board/Office of the Governor Conflict of Interest Review Letter for this Vendor
- ☒ Copy of the Disclosure/Certification Documents Submitted by the Vendor

*may be the proposed contract sent in with a RFP response, a copy of the solicitation response, etc.

Please scan original documents** with signatures and email to:

aaron.carter@illinois.gov

cc: deanna.rossetto@illinois.gov

If you are unable to scan and email the original signed documents, please send to:

Procurement Policy Board
222 South College Street, Suite 231
Springfield, IL 62704

**If you scan and email the original documents, please do not send the original documents to our office. Please keep the documents in your procurement file.

CONFLICT OF INTEREST REVIEW REQUEST FORM

The following information must be filled in as accurately and completely as possible. This form will be sent to the Procurement Policy Board providing essential information needed to review and determine if an actual conflict of interest exists, which is sufficient to preclude the State from entering into the attached proposed contract pursuant to section 50-35(d) of the Illinois Procurement Code.

CONTRACTING AGENCY INFORMATION

Using Agency: Department of Transportation
Address: 2300 S. Dirksen Parkway City/State: Springfield, IL
Contact Person: Michael D. Copp Title: Prequalification Engineer
Phone: 217.782.3413 Fax: 217.524.4922
Email: michael.copp@illinois.gov

VENDOR INFORMATION FOR VENDOR WITH POTENTIAL CONFLICT

This Vendor is: ☐ Prime Vendor ☒ Sub-contractor
Name of Vendor: Kinney Contractors, Inc.
Address: 19342 E. Frontage Road City/State: Raymond, IL
Contact Person: William Kinney Title: President
Phone: 217-229-3322 Fax: 217-229-3069
Email: kinney@roadbuilder.net
Procurement Bulletin Reference Number: Prime K 72F69 Date Posted to Bulletin:

CONTRACT INFORMATION

Describe the need for this procurement or proposed contract: Contract 72F69 consists of construction related services in Cass County, and includes: resurfacing 11.74 miles of Illinois Route 125 from east of Illinois Route 78 in Virginia to a point just west of Buchanan St./ Fulton Ln. in Ashland.

Total Contract Amount (Estimate if actual is unknown): \$ Prime K 72F69: \$5,494,093.16

Contract Begin Date: Upon authorization to proceed is received. Contract End Date:

Describe any Renewal Options (i.e. One 2-year Option): No

PROCUREMENT PROCESS

What was the method of procurement used to select this vendor? Contractor-Subcontractor Contract

If this vendor was selected using a competitive process, how many vendors responded to the bid? N/A

Were any vendors disqualified? N/A If yes, please explain why.

If a multiple award, how many vendors were awarded a contract? N/A

Were there any instances of low vendor rejections? N/A If yes, please explain why.

EXPLANATION OF POTENTIAL CONFLICTS OF INTEREST

For each individual identified as causing a potential conflict of interest, include the following information: name, relationship (if applicable), Agency of State employment, start date, job title and responsibilities. Indicate if any of the named individuals earn more than \$106,447.20 and explain the potential conflict of interest.

William L. Kinney, an individual with an ownership or distributable income share greater than the requisite thresholds, has disclosed he is a member of the Litchfield Airport Authority Board. Mr. Kinney does not receive an income in excess of 60% of the Governor's salary in his capacity as Board Member. Mr. Kinney is additionally not in a capacity to influence the competitively sealed bidding process in any way.

If a prime vendor, did they disclose their use of lobbyists? ☐ Yes ☐ No
If yes, did the lobbyists lobby on behalf of the vendor to secure this contract? ☐ Yes ☐ No

PROVIDE A WRITTEN STATEMENT SIGNED BY THE AGENCY REPRESENTATIVE FOR YOUR AGENCY STATING:

1. Is the conflict an actual conflict and whether or not any of the above named individual(s) were in a position to influence the State's award of this contract.

This is not an actual conflict. Mr. Kinney is not in a position to influence the State's procurements.

2. Why is it in the best interest of the State to proceed with this contract.

This consists of patching and State Route Repair. This is in line with the Department's mission.

AGENCY/UNIVERSITY REPRESENTATIVE SIGNATURE


Agency/University Representative Signature

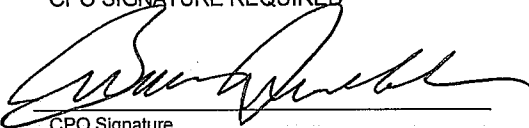
Michael D. Copp
Agency/University Representative Printed Name

6/7/2013
Date

217.782.3413
Agency/University Representative Telephone

michael.copp@illinois.gov
Agency/University Representative Email Address

CPO SIGNATURE REQUIRED


CPO Signature

Bill Grunloh
CPO Printed Name

6/7/2013
Date

217.558.5434
CPO Telephone Number

bill.grunloh@illinois.gov
CPO Email Address